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C/607/042 Incoming

#3496 X



Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

June 2010

James D Smith Division of Oil Gas and Mining 1594 W North Temple, Suite 1210 PO Box 145801 Salt Lake City, UT 84114-5801

RE: Star Point Waste Fuel - Permit # C/007/042

Permit Amendment - Change in Post Mining Land Use

Clean Copies - Task #3496

Dear Mr. Smith:

Thank you for your May 24, 2010 letter granting approval of the change in Post Mining Land Use for the Star Point Waste Fuel mine, conditioned upon receiving six clean copies prepared for incorporation.

We have enclosed the requested six copies (including copies of the certification of publishing of the Public Notice).

We look forward to receiving a stamped incorporated copy of the approved documents for insertion into our copy of the Mining and Reclamation Plan.

If you have any questions, please call Scott Carlson (801) 450-3511 or Rusty Netz (435) 888-4476.

Thank You,

Richard Carter Agent For

Sunnyside Cogeneration Associates

cc: Steve Gross

Maggie Estrada Paul Shepard Rusty Netz Plant File

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JUN 17 2010

DIV. OF OIL, GAS & MINING

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APPLICATION FOR COAL PERMIT PROCESSING



Permit Change ☑ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐						
Permittee:	Sunnyside Cogeneration Associates		C/007/042			
Mine:	Star Point Waste Fuel	Permit Numbe	r: C/007/042			
Title:	Post Mining Land Use and Reveg Plan					
Description	, Include reason for application and timing required to implement:					
A portion of	the permit area is to be used for a gas well. This change will modify the PMLU	J and revegetation p	an for that area			
	s: If you answer yes to any of the first eight questions, this application may on the size of the Permit Area? Acres: Disturbed on the application submitted as a result of a Division Order? DO# on the application include operations outside a previously identified. Does the application include operations in hydrologic basins other to the application result from cancellation, reduction or increase of the application require or include public notice publication? The Does the application require or include ownership, control, right-or to the application require or include ownership, control, right-or the application require or include ownership.	y require Public No d Area: fied Cumulative Hy than as currently ap e of insurance or rec f-entry, or complian	tice publication. increase decrease. drologic Impact Area? oproved? clamation bond?			
☐ Yes 🛛 N		or policies?				
	11. Does the application affect the surface landowner or change the policies of the application require or include underground design or min 13. Does the application require or include collection and reporting of 14. Could the application have any effect on wildlife or vegetation out 15. Does the application require or include soil removal, storage or pla 16. Does the application require or include vegetation monitoring, rem 17. Does the application require or include construction, modification 18. Does the application require or include water monitoring, sedimen 19. Does the application require or include certified designs, maps or 20. Does the application require or include subsidence control or monitor 21. Have reclamation costs for bonding been provided? 22. Does the application involve a perennial stream, a stream buffer 26. 23. Does the application affect permits issued by other agencies or per	are sequence and time any baseline information the current distancement? In oval or revegetation, or removal of surfact or drainage controcalculation? In or or discharges to make its issued to other arly marked and separation in the sequence of the seque	ing? (Modification of R2P2) nation? turbed area? n activities? ace facilities? ol measures? o a stream? r entities? parated in the plan?			
And belief in all Richard R C Print Name Subscribed and Notary Public: My commission Commission Na Address:	Position Date Signature (Right sworm to before me this 14 day of Jule, Jolo , state of Utah. Expires: Dec 3rd Joll ,	t-click above choose cer	tify then have notary sign below) NSEN Ublic Ulah es Dec 3, 2011 d RO. Box 159			
For Office Us		9	ived by Oil, Gas & Mining			
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APPLICATION FOR COAL PERMIT PROCESSING Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee	: Sunnyside	Cogeneration	Associates	Г	C/007/043	
Mine:	Star Point	Waste Fuel	Permit	Number:	C/007/042	
Title:	Post Minis	Post Mining Land Use and Reveg Plan				
application of contents,	Individually section of the	list all maps a e plan, or other	to the Mining and Reclamation Plan, which is required as nd drawings that are added, replaced, or removed from the information as needed to specifically locate, identify and n and drawing number as part of the description.	plan. Include	changes to the table	
	_	_	DESCRIPTION OF MAP, TEXT, OR MATERIA	L TO BE CH	ANGED	
Add	Replace		Map 321.100b Disturbed Area Vegetation Map			
Add	Replace		Map 341.210a Bonding Scenario Revegetation Plan			
Add	Replace	Remove	Map 341.210b Final Reclamation Revegetation Plan			
Add	X Replace	Remove	Map 542.200e Final Reclamation Topography			
Add	X Replace	Remove	Map 542.200g Final Reclamation Subsoil Cover Plan			
=	Replace	Remove	Permit Text Page 200-12			
Add		Remove	Permit Text -Chapter 1			
X Add	Replace	Remove	Exhibit 112.300 SCA Corporate Organization Chart and		cers and Directors	
Add	Replace	Remove	Permit Text Pages 400-4, 400-5, 400-9, 400-10, and 400-			
⊠ Add	Replace	Remove	Exhibit 412.200a Land Owner Letters - add additional let			
⊠ Add	Replace	Remove	Exhibit 117.200b Proof of Publication - PMLU change	April 2010		
Add	Replace	Remove				
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111.100-400. INTRODUCTION.

Sunnyside Cogeneration Associates (SCA) has acquired the Wattis Coal Refuse Pile located in Sage Brush Canyon. The refuse pile has accumulated from the disposal of coal mine waste from the underground coal mining operation at Star Point Mine, which has most recently been owned and operated by Cypress Plateau Mining Corporation (CPMC), a subsidiary of RAG American Coal Company. Cypress Plateau Mining Corporation has changed its name to Plateau Mining Corporation. All references to Cypress Plateau Mining Corporation or CPMC infer Plateau Mining Corporation or PMC.

The Star Point Mine is closed and CPMC has reclaimed much of the disturbed areas near the refuse pile. SCA has purchased certain properties and easements associated with the coal refuse pile along with a few surface facility buildings near the refuse pile. SCA, therefore, submitted this mining and reclamation plan and is the permittee for the mining activities on the property identified within the designated permit boundaries. An area, less than a quarter mile north of the refuse pile was used as subsoil storage area for the Refuse Pile Expansion Area. SCA acquired the rights to the soil and has designated this area as its reclamation Subsoil Area and has included it within the new permit boundary.

The SCA mining operation will consist of removing refuse material and hauling it for use in the SCA power cogeneration plant at Sunnyside, Utah. The refuse material will be used as an energy source to supplement its power generation. SCA's alternative energy project has been approved by the Federal Energy Regulatory Commission as a Qualifying Facility, based on the usage of refuse material as fuel in its fluidized-bed combustion boiler.

The Utah Division of Oil Gas and Mining (DOGM) considers the removal of the refuse pile as a Surface Coal Mining Operation and regulates as such under the provisions of Utah Administrative Code (UAC) R-645-301 "Coal Mine Permitting". However, many of the standard issues that generally apply to a surface coal mine will not apply to this operation since the pile is exposed and no stripping of any overlying strata or overburden is required.

Final reclamation is anticipated to begin upon the cessation of mining and excavation of the refuse pile. It is anticipated that the cessation of mining operations would occur after the refuse pile has been removed (with the exception of any reject coal mine waste or excess spoil which will have been placed in the proper disposal area). However, for the purpose of determining an estimated reclamation bond cost in accordance with the requirements of R-645-301-800, a second reclamation scenario is described which assumes that reclamation would begin under an assumed bond forfeiture condition under assumed conditions, which could exist at some time during the current permit term. In this plan, this scenario is called "Bonding Scenario Reclamation" while the actual anticipated reclamation is called "Final Reclamation".

This permit application is divided into eight sections per major code divisions covering: general conditions, soils, biology, land use and air quality, engineering, geology, hydrology, and bonding. The focus of this section of the permit application is general conditions, which is provided to meet the requirement of Section 100 of UAC R-645-301.

Consulting engineers preparing these permit documents have relied on data and maps from previous approved permits for Star Point Mines. This permit application has been revised to reflect the SCA - Star Point Permit Area.

The format followed is in compliance with State of Utah guidelines, which follow OSM prescribed format.

112. IDENTIFICATION OF INTERESTS.

112.100. Statement as to Type of Entity.

The Applicant, Sunnyside Cogeneration Associates ("SCA"), is a Utah joint venture between Sunnyside Holdings I, Inc. and Sunnyside II, L.P. Information regarding these entities and other parent or controlling corporations is described in the sections that follow.

112.200-210. Information Regarding the Applicant.

Additional information regarding the applicant may be obtained by contacting:

Plant Manager

Sunnyside Cogeneration Associates Attn: Rusty Netz

Attn: Richard Carter One Power Plant Road.

P.O. Box 159

Sunnyside, UT 84539 Phone: (435) 888-4476

Fax: (435) 888-2538

Plant Engineer

One Power Plant Road,

P.O. Box 159

Sunnyside, UT 84539 Phone: (435) 888-4476

Fax: (435) 888-2538

Utah Counsel

Brian W. Burnett, Esq. Callister Nebeker & McCullough 10 East South Temple

Salt Lake City, UT 84133

Phone: (801) 530-7300

Environmental

Manager

Maggie T. Estrada

COSI

95 Enterprise, Suite 300 Aliso Viejo, CA 92656

Phone: (949) 425-4755 Fax: (949) 852-1720

General Manager Kendall Reed

ACI

RR2 Box 56, Highway 3016

Clarion, PA 16214 Phone: (814) 226-8001 Fax: (814) 226-7909

112.220. Information Regarding the Resident Agent.

Sunnyside Cogeneration Associates Attn: Richard Carter, Plant Manager

P.O. Box 159, Sunnyside, UT 84539 (mailing address)

One Power Plant Road, Sunnyside, UT 84539 (street address)

Phone: (435) 888-4476

EIN: 52-2318424

112.230. Information Regarding Abandoned Mine Land Reclamation Fee.

A letter was sent to the Office of Surface Mining on June 6, 2003 requesting a no value/fee determination for the Starpoint Mine Coal Refuse Pile. A copy of this letter is included in Exhibit 112.230a.

On January 13, 2004, the Office of Surface Mining found that the Star Point material being burned in the waste coal fired small power production facility operated by Sunnyside Cogeneration Associates was not subject to reclamation fees. A copy of the January 13, 2004, letter is included in Exhibit 112.230a.

112.300-330. Information Regarding "Owners" and "Controllers".

The Applicant, SCA, is a Utah joint venture. SCA holds the contracts, property, and permits for the project in its name. Because the joint venture is essentially a partnership between Sunnyside Holdings I, Inc. and Sunnyside II, L.P., SCA has no corporate information of its own. Therefore, the information required under regulation 112.300- 330 is provided for the joint venture partners, Sunnyside Holdings I, Inc. and Sunnyside II, L.P., and their parent or controlling corporations.

The information relevant to Sunnyside II, L.P. traces to the parentage of CP Sunnyside I, Inc, and the information relevant to Sunnyside Holdings I, Inc. traces to the parentage of Colmac Sunnyside, Inc. Exhibit 112.300 identifies the corporate organization chart and the corporate directors and officers of the parent companies to SCA.

112.340-420. Further Information Regarding Owners and Controllers.

Neither Sunnyside II, L.P., nor Sunnyside Holdings I, Inc., nor their owners or controllers, has owned or controlled a coal mining and reclamation operation in the United States within five years preceding the date of this application, except for the following, nor do they have any interest in any pending coal mine operation permit applications.

Sunnyside Cogeneration Associates Sunnyside Refuse/Slurry Permit # C/007/035

112.500. Surface and Mineral Property.

The applicant, Plateau Mining Corporation, and the United States Bureau of Land Management (BLM) own surface properties within the permit area. SCA has purchased the waste coal pile located within the permit area pursuant to the Bill of Sale dated January 31, 2002 included in Exhibit 114.200a. The southern portion of the permit area, owned by the BLM, has been made available to SCA as detailed in the Assignment and Assumption of Federal Right-of-Way included in Exhibit 114.100a. Plateau Mining Corporation owns the surface property where SCA's substitute topsoil pile is stored. There are no purchasers of record under a real estate contract for the property to be mined.

Right of Entry documents have been recorded that reflect interest in the property to be mined. These easements are reflected on the Star Point Permit Boundary that is shown in Exhibit 111.100a. Owners of contiguous property to the permit area are shown on the Star Point Permit Boundary shown in Exhibit 111.100a. A summary table of land classifications within the Permit Area is included in Exhibit 112.500a.

Plateau Mining has assumed responsibility for paying royalties associated with Star Point Waste Coal Pile.

112.600. Contiguous Property.

The name and address of each owner of record of all property (surface and subsurface) contiguous to any part of the proposed permit area:

Plateau Mining Corporation United States Government 9100 E. Mineral Circle Englewood, CO 80112

Bureau of Land Management

120 East Main Street Price, Utah 84501

Carbon County

112.700. MSHA Numbers.

The name of the mining operations for which this application is submitted is: STAR POINT WASTE FUEL

Price, UT 84501

Mine I.D. Number

42-02334

On January 28, 2004 SCA received a letter from MSHA officially abandoning the Coarse Refuse pile (formerly identified as ID No. 1211-UT-09-02334-01), see exhibit 513. MSHA Inspection and reporting requirements will be focused on the surface mining operation and will follow a semi-annual inspection frequency.

112.800. Applicants Interest in Contiguous Lands.

Exhibit 111.100a, shows ownership interests in lands contiguous to the permit area. The applicant has ownership interest, leasehold interest, options, and / or pending bids on some of these lands. The existing permit application is not limited to any future by-pass acquisitions, lease modifications, or areas designated in expressions of interest, or areas under investigation that are contiguous to the present permit application boundaries.

112.900. Applicable Information Resubmittal.

SCA, upon application approval, will submit any applicable, updated or corrected information previously submitted under R645-301-112.100 through R645-301-112.800.

113. VIOLATION INFORMATION.

113.100-250. Suspensions and Revocations.

Neither the Applicant, nor any of its subsidiaries, affiliates, or persons controlled by or under common control with the Applicant 1) has had a federal or state mining permit suspended or revoked in the last five years, or 2) has forfeited a mining bond or similar security deposited in lieu of bond.

113.300-350 Violations and Unabated Cessation Orders

Sunnyside Cogeneration Associates received one notice of violation from the Utah Division of Oil, Gas and Mining (DOGM) within the three year period prior to the application for Permit Renewal. Information regarding these violations is described below:

There have not been any unabated cessation orders or unabated air and water quality violation notices received by any coal mining and reclamation operation owned or controlled by either the Applicant or by any person who owns or controls the Applicant.

Star Point Waste Fuel - C/007/042, NOV# N04-49-3-1, Requirements of the violation have been satisfied.

114. RIGHT-OF-ENTRY INFORMATION.

114.100. Description of Legal Documents.

Documents included as Exhibits 114.100a and 114.100b support SCA's right of entry and operation in the permit area. That right is not the subject of pending litigation. These documents include:

- Special Warranty Deed from Plateau Mining Corporation ("Plateau") to SCA executed 1/30/2002
- Assignment and Assumption of Federal Right-of-Way from Plateau to SCA assigning the BLM Right-of-Way No. UTU-47965 executed 1/30/2002
- Right-of-Way from Plateau to SCA regarding access from County Road 290 to the Wattis Branch railroad grade executed 1/30/2002

- Right-of-Way from Utah Railway Company to Plateau regarding the Wattis Branch railroad grade executed 1/31/2002
- Assignment and Assumption of Private Right-of-Way from Plateau to SCA assigning the Utah Railway Right-of-Way to SCA executed 1/29/2002
- Memorandum of Surface Use Agreement regarding the "Reclamation Stockpile"
- Quitclaim Deed to Carbon County land associated with power substation.

114.200-230. Private Mineral Estate.

Applicant was conveyed the waste coal pile sitting on the surface property pursuant to the Bill of Sale for such pile purchased January 31, 2002. A copy of the Bill of Sale is included as Exhibit 114.200a.

114.300. Adjudication of Property Rights Disputes.

It is not construed that the Division has the authority to adjudicate property rights disputes.

115. STATUS OF UNSUITABILITY CLAIMS.

115.100. Unsuitable Areas.

The SCA - Star Point Permit Area is not within an area designated unsuitable for coal mining and reclamation operations or is within an area under study for designation in an administrative proceeding under R645-103-300, R645-103-400, or 30 CFR Part 769.

115.200. Exemptions.

This section is not applicable because Applicant does not claim the exemption described in R645-103-333.

115.300. Public Roads.

The only public road within 100 feet of the permit is County Road 290 that passes adjacent to the refuse pile site on the North side heading in a east-west direction as shown on Map 521.100a and 521.100b. It will remain in place after post mining reclamation to provide access to land above the mine area, as required by the post mining land use plan.

In compliance with R645-103-230 through R645-103-238, Carbon County has authorized public access to Country Road 290. Also, an opportunity for public hearing was provided with respect to the mining with 100 feet of the road. A meeting, which was scheduled on April 28, 1992 at the Days Inn in Price, Utah wherein protests could be heard, related to the proximity of the mine to County Road

290. The notice was published in the Sun Advocate on April 14, 1992 where after the meeting was cancelled due to lack of interest. A copy of the published "public notice" is included in Exhibit 115.300a and a letter from Carbon County explaining public access is included in Exhibit 115.300b.

116. PERMIT TERM.

116.100. Start and Termination Dates.

Surface mining operations will commence immediately upon permit approval and are anticipated to extend 20-30 years. Detailed operations plans are included in Section 520 of this permit. Site reclamation will begin at the end of the mining period and the initial earthwork and seeding are scheduled to be completed with one year. Detailed reclamation plans are included in Section 540 of this permit.

116.200-220. Term in Excess of Five Years.

The permit application is for a term of 5 years.

117. INSURANCE.

117.100. Liability Insurance.

A copy of the certificate of liability insurance is attached as Exhibit 117.100a.

117.200. Proof of Publication.

A newspaper advertisement, Exhibit 117.200a, has been published in the "Sun Advocate" for four (4) weeks following the determination of completeness. Proof of publication of the newspaper advertisements is given in Exhibit 117.200b.

117,300. Shared Facilities.

Surface mined materials will be transported to and processed in areas identified and permitted by SCA under the following permit:

Sunnyside Cogeneration Associates Sunnyside Refuse/Slurry Permit # C/007/035

Plateau Mining Corporation has previously reclaimed 3.6 acres under the following permit which lie within this permit boundary and will be monitored in accordance with their approved permit.

Plateau Mining Corporation Star Point Mines Permit # C/007/006

118. APPLICATION FEE.

The required filing fee of \$5.00 is submitted with this Permit Application.

123. VERIFICATION.

The required verification statement is included as Exhibit 123.000a.

130. REPORTING OF TECHNICAL DATA.

Consulting engineers, in the preparation of this permit document, have compiled and relied on data and maps from previous permit applications and previously approved permits for the Plateau Mining Corporation (PMC) mining activities permitted by Permit ACT/007/006 for the Star Point Mines issued by the Utah Division of Oil, Gas, and Mining on January 27, 1982, renewed on August 7, 1987, January 28, 1992 and September 27, 1996 with subsequent approved revisions.

All technical data in this application have been analyzed under the requirements of the Rules. Many of the technical analyses have been done in accordance with the guidelines issued by the State of Utah. SCA personnel and their representatives have met with the Division to discuss pertinent aspects of mining and reclamation plans.

Information regarding preparers of supporting studies can be found in the representative chapter of the Permit document.

The preparers of supporting studies include:

Section 200 -

Report of Soils for Phased Expansion of the Existing Coal Processing Waste Pile – Endangered Plant Studies, Inc., Orem Utah

Prime Farmland, NRCS

Section 300 -

Aquatic Resources of Plateau Mine Permit Area – Kaiser Engineers, Inc., Oakland, California

Section 400 -

Historical and Cultural Resources – Archeological-Environmental Research Corporation, Salt Lake City, Utah

Section 500 -

Star Point Mine's Refuse Pile Evaluation Operation and Monitoring Plan – Vaughn Hansen Associates, Salt Lake City Utah

Coal Refuse Pile Study - Chen and Associates Inc., Salt Lake City, Utah

Cyprus Plateau Mining Company Response to DOGM Midterm Review --Hansen, Allen & Luce, Inc., Midvale, Utah

Section 600 -

Reserve Assessment of Star Point Coal Refuse Site - Miltech Energy Services, Inc., Ligorier, PA

Evaluation of Toxic and Acid Forming Properties – Kent A. Crofts, Yampa, Colorado

Section 700 -

Stability Analysis of Sedimentation Pond No. 9 Banks – Chen and Associates Inc., Salt Lake City, Utah

140. MAPS AND PLANS.

Maps submitted herewith are presented in a consolidated format, to the extent possible, and include the types of information that are set forth on U.S. Geological Survey of the 1:24,000 scale series. The maps of adjacent areas will clearly show the lands and waters within those areas and are at the scale determined by DOGM. The maps and cross-sections associated with this Permit are listed in the General Table of Contents.

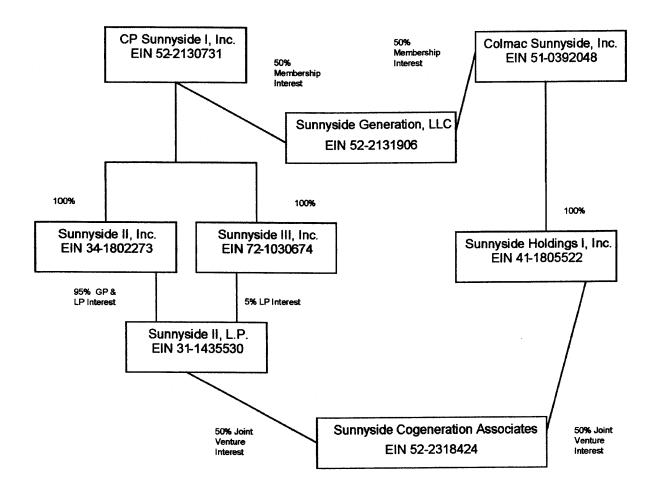
150. COMPLETENESS.

This Permit Application contains the information required by R645-301; R645-302 is not applicable.

Exhibit 112.300, SCA Corporate Organization Chart and Corporate Officers and Directors

Sunnyside Cogeneration Associates Exhibit 112.300 Information Regarding "Owners" and "Controllers" Permit No. C/007/042

Sunnyside Organization Chart



CP Sunnyside I, Inc:

Directors:

John T. Long

Steven B. Gross

Officers:

John T. Long

Senior Vice President CGG

President CPG

Stephen B. Gross

Vice President

Paul Shepard

Vice President

Steven L. Miller

Secretary

Daniel L. Haught

Treasurer

The address for the officers and directors is 111 Market Place, Suite 200, Baltimore, Maryland 21202. CP Sunnyside Inc. is the Managing Member of Sunnyside Generation, LLC. Paul Shepard started as Vice President on March 19, 2007.

Sunnyside II, Inc. & Sunnyside III, Inc.:

Directors:

John T. Long

Stephen B. Gross

Officers:

John T. Long

Senior Vice President CGG

President CPG

Stephen B. Gross

Vice President

Paul Shepard

Vice President

Charles Berardesco

Secretary

Steven L. Miller

Assistant Secretary

Daniel L. Haught

Treasurer

The address for the officers and directors is 111 Market Place, Suite 200, Baltimore, Maryland 21202. Andrew Kidd was Secretary from December 31, 2007 to December 31, 2008. Charles Berardesco was Assistant Secretary from December 31, 2007 to December 31, 2008, and became Secretary on December 31, 2008. Steven L. Miller was Secretary from May 1, 2003 to December 31, 2007, and became Assistant Secretary on December 31, 2008.

Sunnyside II, L.P.:

Because Sunnyside II. L.P. is a limited partnership comprised of Sunnyside II, Inc. and Sunnyside II, Inc., Sunnyside II, L.P. has no corporate information of its own.

Colmac Sunnyside, Inc.:

Directors:

Willis S. McLeese

Chris L. Thompson William Langan

Officers:

Willis S. McLeese

Chairman and CEO

Chris L. Thompson

President

Robert S. McLeese

Secretary and CFO

The address for the officers and directors is 103 Springer Building, 3411 Silverside Road, Wilmington, DE 19810. The Directors' and Officers' start date was August 31, 1999. Gilbert Warren was replaced as a Director on June 29, 2004, by Mary Alice Avery. William Langan replaced Mary Alice Avery as a Director on June 29, 2007. Chris L. Thompson replaced Greg Lawyer as a Director and President on July 15, 2009. Colmac Sunnyside, Inc. never had an Assistant Secretary position.

Sunnyside Holdings I, Inc.

Directors:

Willis S. McLeese

Chris L. Thompson

Officers:

Willis S. McLeese

Chairman and CEO

Chris L. Thompson

President

Robert S. McLeese

Secretary and CFO

The address for the officers and directors is 103 Springer Building, 3411 Silverside Road, Wilmington, DE 19810. The Directors' and Officers' start date was August 31, 1999. Chris L. Thompson replaced Greg B. Lawyer as a Director and President on July 15, 2009. Sunnyside Holdings I, Inc. never had an Assistant Secretary position. Robert S. McLeese has been the Secretary and CFO since August 31, 1999.

Exhibit 117.200b, Proof of Publication of Newspaper Advertisements

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS.

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and the first publication was on the 25th day of March, 2010, and that the last publication of such notice was in the issue of such newspaper dated the 15th day of April 2010.

Richard Shaw - Publisher

Subscribed and sworn to before me this 15th day of April, 2010.

Notary Public My commission expires January 10, 2011 Residing at Price, Utah

Linda Shayn

Publication fee, \$532.48



PHILLIPHITE

**Re45-300-121 that Spanyage as required by the trieff Coal Mining Rules; Re45-300-121 that Spanyage Governation Associates (60A), RO: Box is 59, Sennyage UI 84539, has filed an application to modify the post mining land user (PMLII) for approximately 13 acres of the existing mining pertrat distuited area, (Partitle Coar 042-Star Point Maste Fuel). Approval of this application will allow SCA to change as reclamation plans on the designated portion of land to allow for incustrial uses after mining its completed under the provisions of the Atah Coal Mining and Reclamation Act and the titaline 45 coal Mining Rules.

The existing pounts area is comprised of 153 acros and is located at water, that The entire permit area is located within large described as:

NWW of SW / Section 10, I 15 S. R 8 E. SLB&M.

NEW of NWW Section 15, I 15 S. R 8 E. SLB&M.

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Changes to the post mining land use occur within lands described

. 1878 of 900/25 Section 10. T 15 S./P. 8 E, SLB&M... NEX of ANY 2016 NAME Section 13: T 15 S, R 8 E, SLB&M. N 28 of NEX of ANY 25 Section 15 J 15 S, R 8 E, SLB&M. 2 of N 25 of Six ennights of NW 25 Section 15, T 15 S, R 8 E, SLB&M.

Detailed mapping the proposed change are included as Exhibits to the

Comies of the permit will be available for inspection at the:

Leah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Sait Lake City, Utah 84114

ind

Carpon County Court House 120 East Main Street Price UT 84501

Written comments, objections of requests or an informal objectence garding this application must be submitted with 30 days of the last publicable of this notice, to the tran Division of Oil, Gas, and Mining. Attention the province of the

Published in the Sun Advocate March 25, April 1, 8 and 15, 2010...

To prevent compaction of the soil cover, soil moving equipment will refrain from unnecessary operation over spread soil. Front-end-loaders and other wheel mounted equipment may be used to transport and dump the soil from the Subsoil Area. However, to minimize compaction, only track-mounted equipment (e.g. bulldozers, trackhoes) are preferred to spread the soil. If needed, the soil will be loosened prior to seeding. Erosion control measures may include but not be limited to, mulching, surface roughing, and gouging. The entire regraded site will be roughened including the slopes.

County Road No. 290 provides access to Gentry Mountain, the mountain range to the west of the SCA - Star Point Permit Area and will not be reclaimed. Reclamation of temporary roads within the disturbed area boundary will follow the same technique as for other disturbed areas. Coal materials will be scraped from the proposed industrial area shown on map 341.210a, but the area will not receive soil cover or revegetation efforts.

Impoundments within the Coal Refuse Pile Area will be reclaimed.

243. SOIL NUTRIENTS.

At the time that the subsoil material was salvaged, many samples were analyzed to determine nutrient needs for a fertilization program. However, Based on current recommendations from The Practical Guide to Reclamation in Utah, a 2000 Division publication, fertilizers will be applied only when necessary due to an extreme nutrient deficiency. Nitrogen fertilization will encourage weed species at the expense of native species. No fertilizer use is anticipated in the reclamation of the permit area. Reclamation without applying fertilizer has been practiced in 2001-2002 at the Star Point Mine. The fertilization scheme for the Permit Area may be refined upon a comparison of the success of the reclamation study. Nonetheless, the analysis of the soil material is included herein for reference.

Soil in the Refuse Expansion Area was analyzed for suitability during the removal process. Nearly 158 soil samples have been analyzed along with 2 on-site long-term fertilizer studies, to evaluate soils for topsoil suitability. The upper A and B horizons were separately salvaged into a topsoil stockpile utilized by PMC. SCA acquired the rights to the stockpile with the lower C horizons.; The results of the analyses on the C horizons are included in Table 243. Consistent values were obtained for deficiencies of phosphorus and nitrate-nitrogen. 100 percent of all nitrate-nitrogen samples yield a deficiency and 98.55 percent phosphorus samples were deficient. Potassium was adequate in 94 percent of the samples, and iron and zinc are never known to be deficient in Utah. Additional soil testing of respread subsoil is unnecessary. Further details on the sampling program and results are included below.

411.120. Land Capability.

This section describes the land use in conjunction with other environmental resources information, and includes analysis of capability of the land before any coal mining and reclamation operations with consideration of soil and foundation characteristics, topography, vegetative cover, and the hydrology of the Permit Area. Land productivity data were obtained from United States Forest Service (USFS) and BLM. The land uses identified for the area are mining, livestock grazing, and wildlife habitat. Recently the land use has also included recreational use in the general area of the Permit Area, which includes hunting, camping, picnicking, mountain biking, horseback riding, ATV riding, snowmobiling, and hiking.

Coal, oil, and gas are the known minerals of value in the region of the Permit Area. A few wells drilled in a field near the Permit Area produced gas and oil from 1924 to 1976. Recently oil and gas companies have constructed wells and continue to extract oil and natural gas from adjacent lands of the SCA - Star Point Permit Area. There is potential for natural gas reserves in the SCA - Star Point Permit Area. A portion of the permit area to the west side of the coal pile has been designated with an industrial post mining land use to allow for gas operations.

Land capability and productivity before mining have been only slightly reduced compared to the present land capability. Mining activities have proceeded on the SCA - Star Point Permit Area by CPMC for several decades with only minor effects on productive capabilities in terms of soils, topography, vegetation, wildlife, or hydrology. The soils indigenous to the area affected by the operations are described in R645-301-200. Vegetation and wildlife are discussed in R645-301-300. Land productivity in terms of plant products before any mining did not differ greatly from present productivity. Wildlife, sheep, cattle, and horses used the land for grazing. Small-scale timbering has in the past provided fence posts, corral poles, house logs, and railroad ties. The steep and rocky terrain and the lack of water prohibit farming in the area.

The land use for the area near the refuse pile is that of grazing by domestic livestock and wildlife. Grazing by cattle is under the control of the Bureau of Land Management (BLM) and is part of the Wattis Grazing Allotment. The allotment contains approximately 3,500 acres of Public Land with an allocation of about 100 Animal Unit Months (AUM's). This amounts to 35 acres per AUM, which reflects the low productivity of the area. Due to steepness of slope and the lack of production, the actual contribution of this area to the grazing resource is very low. Further discussion of wildlife use of the Permit Area is discussed in Section 300.

There is no merchantable timber because much of the area is covered by sagebrush/grassland, pinyon pine, and juniper. According to BLM, some fence posts and cordwood are cut, but, in general, the land is not managed intensively for these products. No cultivated lands lie within the Permit Area boundary.

411.130. Existing Land Uses and Land Use Classifications.

The Permit Area land use includes the coal mine waste refuse pile, recreational use, livestock grazing, and wildlife habitat. In addition, a few facility buildings are located near the refuse pile. During the last five years, land use within the permit boundary has not changed substantially; however, CPMC has reclaimed portions of the surrounding lands used for coal mining.

Currently, land use of lands adjacent to the Permit Area includes open range livestock grazing and wildlife habitat and gas exploration and extraction. Recreational use of the general region of the Permit Area consists primarily of hunting and camping; however, growing use of the area by mountain bikers, ATV riders, and hikers has been seen over the past few years. Snowmobiling also occurs in permitting slopes.

River Gas Corporation and ConocoPhillips intend to develop their oil and gas leases in the area within and adjacent to the mine facilities and contemplate using the pre-existing roads in the area. River Gas and ConocoPhillips have has oil and gas leases in Section 15 and Section 2 of Township 15 South, Range 8 East.

To assure that postmining land use will be the same as premining land use, County Road No. 290 will not be reclaimed, and the road will continue to provide access to Gentry Mountain, the mountain range to the west of the SCA Permit Area. Other roads within the disturbed area will be reclaimed, and the costs for road reclamation are included within the bond. Areas within the permit area that are designated as industrial PMLU will be reclaimed to the extent needed to allow that use.

The local, state, and federal managing authorities for areas within the permit boundaries are Carbon County, State of Utah, and U. S. Bureau of Land Management (BLM).

The Carbon County zoning Code, zones the SCA property as MG-1 Mining and Grazing for the Permit Area.

BLM planning under the "Management Framework Plans" for the Wattis unit states that all coal leases or permits must provide for minimizing or avoiding environmental damage and for rehabilitating lands affected by the operations. The BLM lands in the Permit Area and adjacent areas are used for mining, cattle grazing, recreation, and forestry. Recreational uses consist primarily of hunting, camping, and picnicking. Past and present land uses of the project area and the region as a whole are discussed in the following sections. The source of much of this information is the Draft Environmental Statement: Development of Coal Resources in Central Utah (U. S. Geological Survey, 1978).

CPMC is located in the area of Wattis, Utah, with the mine portals at approximately 8,500 feet above sea level. The coal bearing strata are in the lower 400 feet of the Blackhawk Formation of the Mesa Verde Group. Coal has been extracted from three seams, which from uppermost to lowermost are the Wattis, Third, and Hiawatha Seams. When mining began in the early 1900's, entry was made into the Third Seam and coal was extracted from it first. Mining was expanded into the Wattis Seam. Slopes connected the Wattis Seam with the Third Seam and provided access to the virgin western reserve area.

411.230. Extent of Coal or Other Minerals Removed.

Previous mining activity in the areas adjacent to the SCA Premit Area include the following. From 1917 through 1963 approximately 12,000,000 tons of coal were removed from the Star Point Mines by Lion Coal Company. Between 1967 and the fall of 1971 approximately 750,000 tons of coal were extracted by Plateau Mining, Ltd. United Nuclear Corporation as UNC Plateau Mining Company mined approximately 5,000,000 tons of coal between the fall of 1971 and July 21, 1980. CPMC mined approximately 12,000,000 tons between 1980 and 1990. CPMC mined approximately 18,300,000 tons between 1988 and 1997. Operations ceased and the mine was shut down in 1997.

412. RECLAMATION PLAN.

Since SCA is excavating a waste coal refuse pile rather than mining an underground coal seam, SCA expects that the postmining land use to be consistent with the premining land use, which is livestock grazing, wildlife habitat. Final reclamation activities, such as grading and seeding are detailed within the reclamation plan in each section of this permit application. Since a large portion of the Permit Area is privately owned, the timing and extent of grazing use will be made after reclamation bond release by the landowner. There are some areas within the permit area that are designated as industrial PMLU. These areas will be reclaimed to the extent needed to allow that use.

412.100. Postmining Land Use Plan.

With the exception of the industrial areas, the postmining land uses will be the same as premining uses. These uses include livestock grazing, wildlife habitat, recreation, and forestry in the areas belonging to BLM. Table 412.100a, summarizes the disturbed areas and their postmine land uses. Section 100 includes a description of property exchange, easement, right-of-way, maintenance, and use agreements.

Table 412.100a. Postmining Land Use

Area	Present Ownership	Premining Use	Proposed Postmining Use	Ability to support Proposed Postmining Use
Coal Pile Area	Private, Federal	Wildlife, Grazing	Wildlife, Grazing, Recreation, Industrial	Adequate
Powerline Routes	Private, State	Wildlife, Grazing	Wildlife, Grazing, Power Line Route	Adequate
County Road 290	Private, State	County Road	County Road	Adequate
Subsoil Area	Private	Wildlife, Grazing	Wildlife, Grazing, Recreation	Adequate

412.110. Achievement of Proposed Mining Land Use.

Livestock grazing, wildlife habitat, recreation, and forestry, as a postmining land use will be achieved by implementing the Reclamation Plan. This Plan allows for reclaiming disturbed areas, replanting species compatible with grazing, wildlife, and forestry. The public land will be utilized for recreation as it was prior to mining activity. Public access to the area will be by County Road No. 290, which will remain after final reclamation as an essential part of the postmining land use. Industrial PMLU areas will be achieved by clearing the area of coal materials and turning it over to the industrial users subject to the corresponding regulations of their use.

In the event of bond forfeiture, reclamation of the refuse pile is discussed in the Bond Scenario reclamation plan in Section 540 and 550. The implementation of the reclamation plan should be sufficient to return the refuse pile to the intended postmining land use.

412.120. Range or Grazing Land Use.

Postmining land uses are to be achieved by effectively reclaiming disturbed areas including the establishment of a diverse vegetative cover compatible with wildlife and livestock grazing. Areas designated for industrial use would be operated in a manner such that impacts to adjacent post mining land uses would be minimal. No other alternative postmining land uses are proposed.

412.140. Surface Owner Plans and Applicable Utah and Local Land Use Plans.

The reclamation plan is consistent with all state, federal, and local land use plans and programs, including surface water plans.

412.200. Land Owner or Surface Manager Comments.

The surface owners of record agree with the post mining land uses. These owners include BLM, PMC, and SCA. PMC has sent a letter of concurrence with both the Bond Scenario and Final Reclamation Plan as it refers to the subsoil area where they are the surface owner. SCA has proposed the same post mining land uses as proposed by PMC in previous permit applications. On December 23, 1980, PMC sent a letter to BLM to notify of the proposed post mining land uses as identified by the U.S. Forest Service.

In connection with the SCA permit processing, BLM reconfirmed their continued concurrence with the identified post-mine land uses in a letter dated June 3, 2003. BLM further concurred with the industrial post mining land use adjustments on Sept 25, 2007 and October 26, 2009, by granting approval to ConocoPhillips Company to expand the Drunkards Wash Unit into the NW½ of Section 15, T15S, R8E, SLB&M. Copies of the above noted correspondence are presented in Exhibit 412.200a, Land Owner Letters. No comments objecting to the proposed post mining land use have been received.

412.300. Suitability and Compatibility.

Following the removal of the refuse pile, the affected areas will be restored to a condition capable of supporting the premining land uses. This will be achieved by implementing the final reclamation plan described in response to R645-301-542. Specifically, the affected area will be regraded to the approved contour, drainage patterns will be established, soil material will be applied, and the seed mixtures will be planted.

All reclaimed areas will be capable of supporting the postmining land uses. Based on the results of interim vegetation, vegetation test plots, ongoing vegetation monitoring, and data gathered over two permit terms, the soils in the disturbed areas are capable of supporting a variety of vegetation compatible with current and postmining land uses.

413. PERFORMANCE STANDARDS.

All disturbed areas will be restored in a timely manner, as per the final reclamation plan, to conditions that are capable of supporting premining land uses or higher or better uses. Postmining land uses are discussed in Section 412.100. The postmining roads are discussed in Section 542.600. No alternative postmining land uses have been planned for the SCA - Star Point Permit Area.

Exhibit 412.200a, Land Owner Letters



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

OCT 0 3 2007

RECEIVE

Mid Continent Land-Rockies SEP 2 5 2007

IN REPLY REFER TO: 3180 UT-922

ConocoPhillips Company Attn: William W. Franklin Lower 48 Business Unit 3300 North A. Street, Suite 6-100 Midland, TX 79705

Re:

Preliminary Approval

9th Proposed Expansion of the

Drunkards Wash Unit

Carbon and Emery Counties, Utah

Gentlemen:

Your application of August 15, 2007, as amended August 30, 2007, requests preliminary approval of the proposed 9th expansion of the Drunkards Wash Unit Area, Carbon and Emery Counties, Utah. This expansion will add 3,558.41 acres, to the 70,984.12 acre unit, resulting in an enlarged unit area of 74,542.53 acres, more or less.

The expansion of the Drunkards Wash Unit will provide for a one well obligation to be drilled to penetrate the upper 100 feet of the Tununk Shale member of the Mancos Shale formation and located in the NW½ of Section 15, Township 15 South, Range 8 East., SLM&B. Said well must be completed prior to January 1, 2009 or this expansion will be declared invalid ab initio.

Regardless of the outcome of the fore mentioned well, two wells must be completed on unitized lands not entitled to participation each calendar year commencing January 1, 2008. Should the unit operator fail to complete said wells, all legal subdivisions of lands (i.e., 40 acres by Government survey or its nearest lot or tract equivalent; in instances of irregular surveys, unusually large lots or tracts shall be considered in multiples of 40 acres or the nearest aliquot equivalent thereof), no parts of which are in or entitled to be in a participating area on or before the first day of the calendar year following the default, shall be eliminated automatically from this agreement effective the first day of the calendar year following the default.

Also, unit operator has agreed that a well will be completed on State Lease ML-46105 prior to January 1, 2010 or said lease shall be eliminated automatically from this agreement effective January 1, 2010.

The expansion is regarded as acceptable on the basis of the geologic/economic information accompanying your application. However, notice is hereby given that the right is reserved to deny approval of the expansion if in our opinion, the expanded area does not have the full commitment of sufficient lands to afford effective control of operations.

We hereby concur in the proposed expansion, provided it is accomplished pursuant to Section 2 of the unit agreement.

A minimum of four copies of the application for final approval, accompanied by the appropriate joinders and supplements to Exhibits "A" and "B" attached with you application is acceptable.

Sincerely,

Julie Howard

Acting Chief, Branch of Fluid Minerals

Enclosure



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov

MC 10/26/2009

IN REPLY REFER TO: 3160 (U-922)

October 26, 2009

ConocoPhillips Company 3300 North "A" Street, Bldg. 6 Midland, TX 79705 Attn: Justin K. Williams

Re: Drunkards Wash Unit

Carbon and Emery Counties, Utah

Gentlemen:

We have received your amended 2009 Plan of Development for the Drunkards Wash Unit dated October 19, 2009 referencing and supplementing your August 11, 2009 request for recognition of an "Unavoidable Delay" pursuant to Section 25 of the Drunkards Wash Unit Agreement.

The request is necessitated by the requirements outlined in the preliminary approval of the 9th expansion of the Drunkards Wash Unit Area which states:

"The expansion of the Drunkards Wash Unit will provide for a one well obligation to be drilled to penetrate the upper 100 feet of the Tununk Shale member of the Mancos Shale formation and located in the NW¼ of Section 15, Township 15 South, Range 8 East., SLM&B. Said well must be completed prior to January 1, 2009 or this expansion will be declared invalid *ab initio*.

Regardless of the outcome of the fore mentioned well, two wells must be completed on unitized lands not entitled to participation each calendar year commencing January 1, 2008. Should the unit operator fail to complete said wells, all legal subdivisions of lands (i.e., 40 acres by Government survey or its nearest lot or tract equivalent; in instances of irregular surveys, unusually large lots or tracts shall be considered in multiples of 40 acres or the nearest aliquot equivalent thereof), no parts of which are in or entitled to be in a participating area on or before the first day of the calendar year following the default, shall be eliminated automatically from this agreement effective the first day of the calendar year following the default.

Also, unit operator has agreed that a well will be completed on State Lease ML-46105 prior to January 1, 2010 or said lease shall be eliminated automatically from this agreement effective January 1, 2010."

Your request is hereby approved.

Due to the recognized unavoidable delay, the requirements of the 2009 obligation wells are deferred until the end of calendar year 2010. In order to prevent the automatic contraction of the Drunkards Wash Unit Area, unit operator must drill and complete two wells in calendar year 2010.

One of the wells will be the 16-527 located on Utah School Institutional Trust Lands Administration lease ML-46105. The well shall be located in the NE¼ of Section 16, Township 15 South, Range 8 East, Carbon County, Utah.

The other well will be the 15-528D located on Federal Lease UTU60402. The producing interval and bottomhole location of this well shall be located in the SW¼ of section 15, Township 15 South, Range 8 East, Carbon County, Utah.

You are still required to complete an additional two wells on unitized lands not entitled to participation each calendar year after December 31, 2010 to avoid the automatic contraction of the unit area.

Your continued cooperation in this matter is greatly appreciated. If you have any questions please contact Mickey Coulthard of this office at (801) 539-4042.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond Chief, Branch of Fluid Minerals

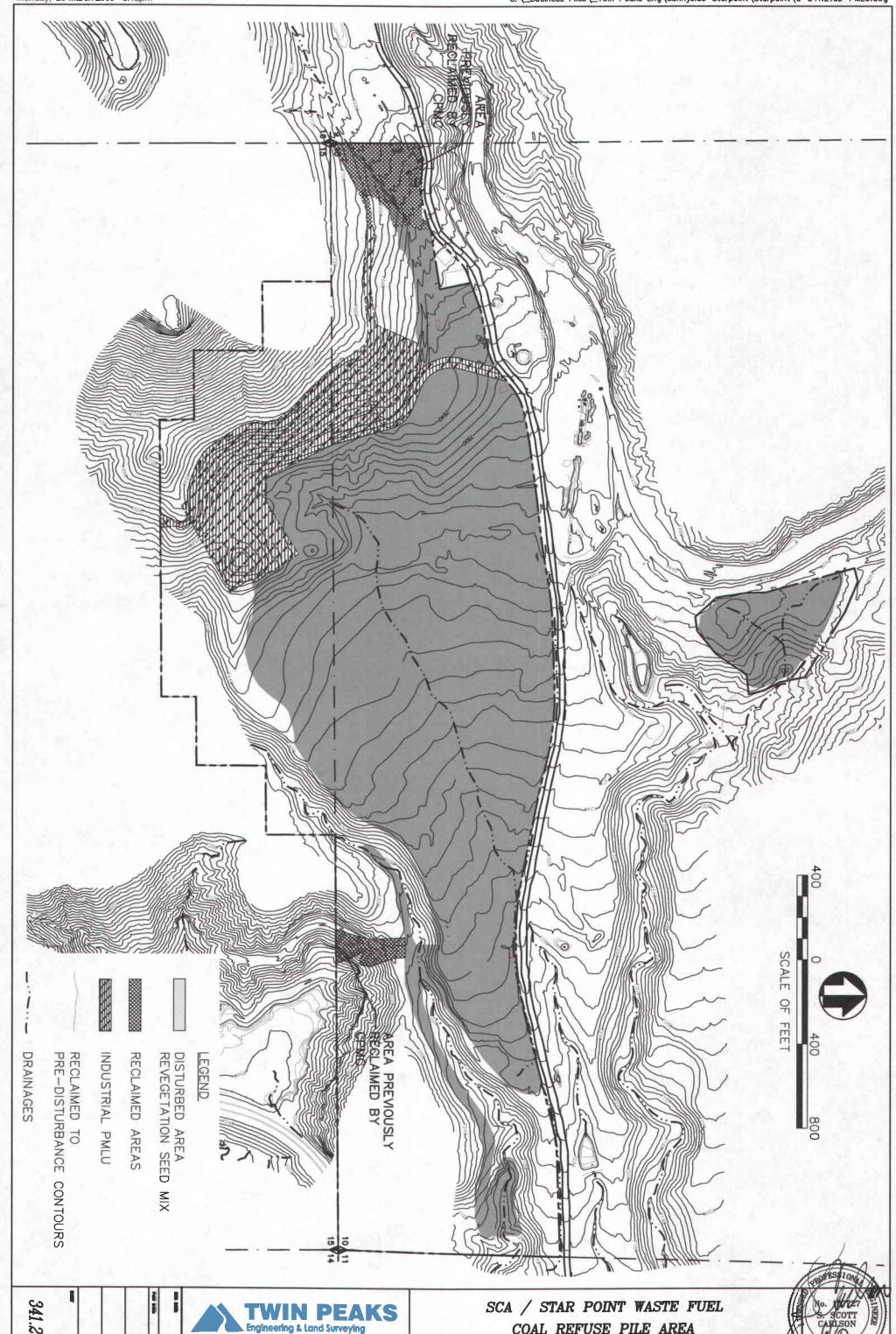
bcc:

FOM Price

SITLA
Central Files
Agr. Sec. Chron.
Fluid Chron

Ticker (December 2010)

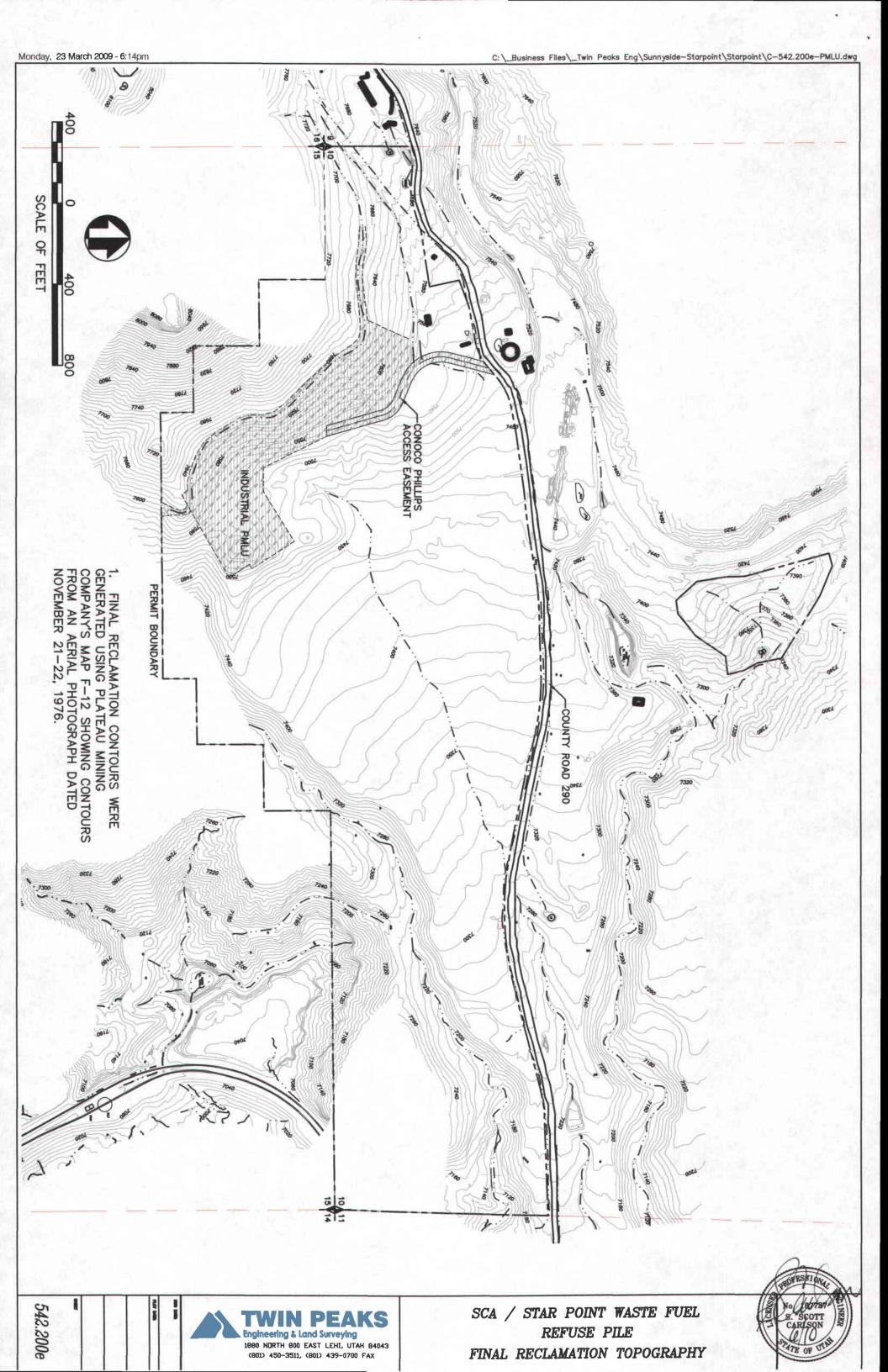
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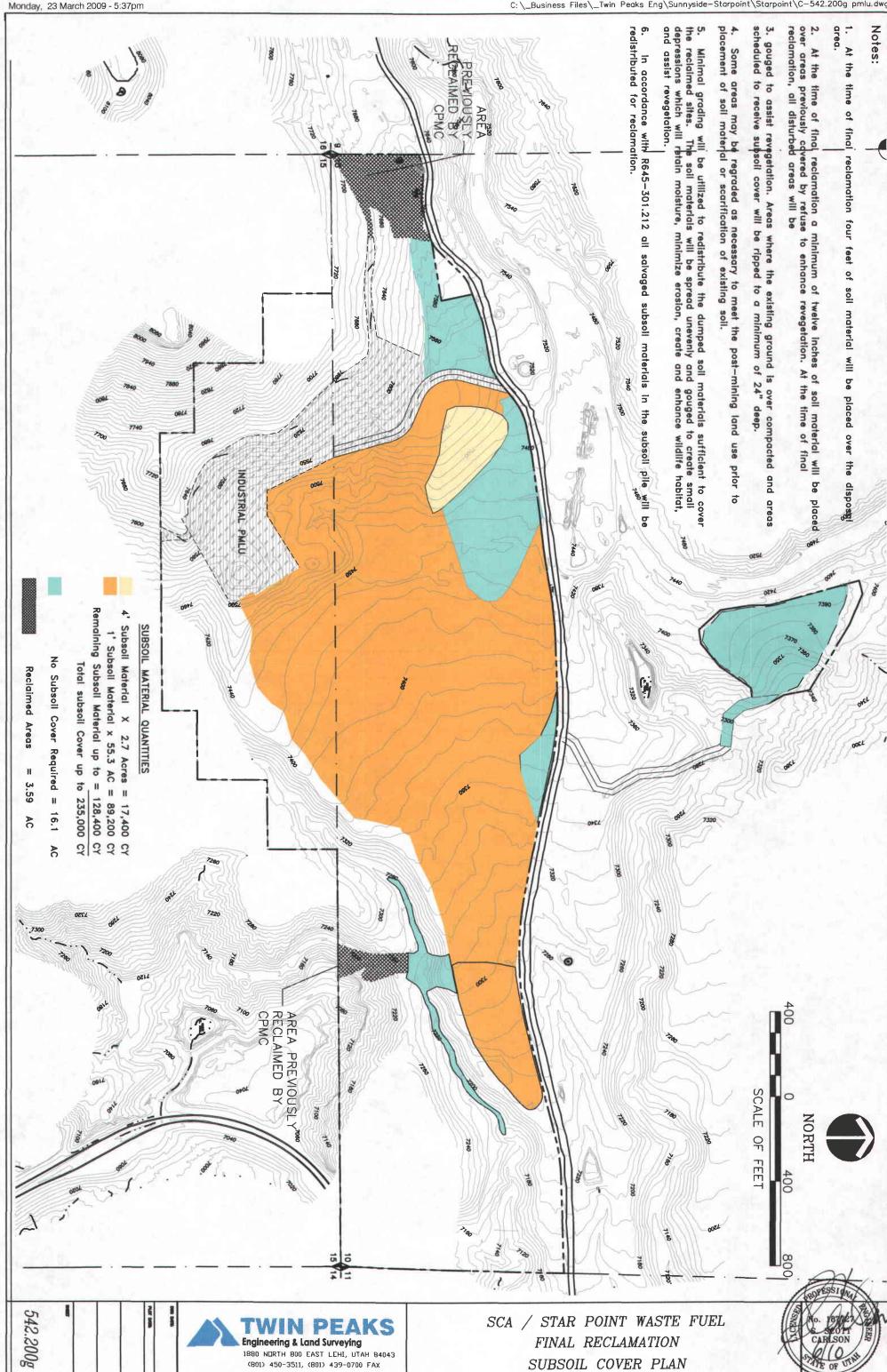


341.210b

TWIN PEAKS
Engineering & Land Surveying
1880 NDRTH 800 EAST LEHI, UTAH 84043
(801) 450-3511, (801) 439-0700 FAX

COAL REFUSE PILE AREA FINAL RECLAMATION REVEGETATION PLAN





(801) 450-3511, (801) 439-0700 FAX

SUBSOIL COVER PLAN